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SUBJECT: USG REACTION TO CHAVEZ'S NATIONALIZATIONS; DEATH OF SADDAM HUSSEIN; RUSSIA-BELARUS; ENVIRONMENTAL ISSUES; 01/10/07; BUENOS AIRES

#### 11. SUMMARY STATEMENT

All local papers report on USG officials' response to Venezuelan President Chavez's announced planned re-nationalization of telecommunications and utility companies, like US Press Secretary Tony Snow's statement that "nationalization has a long and inglorious history of failure around the world." Gordon Johndroe, one of the spokespersons of the White House National Security Council, said "We have already seen the outcome of nationalization in other parts of the world and, generally speaking, such actions do not yield the expected economic benefits." Sean McCormack, spokesperson of the US State Department, stressed that "History has already proven that Chavez's worn-out nationalization proposals usually do not benefit the population.'"

Local papers also report Somali officials' statement that "many" people were killed in Somalia in a US air strike targeting Al Qaeda suspects among fleeing Islamist fighters.

#### 12. OPINION PIECES

- "Rather than Socialism or Peronism, it is a risky radicalization"

Daily-of-record "La Nacion's" contributor Mario del Carril opines (01/10) "What is Hugo Chavez's socialism? The question is not being made from a dogmatic point of view but from an operative one.

"Today, many believe that Socialism means increasing the role of the State in the economy while reducing the importance of the market.

"According to this view, China, ruled by the Communist Party, is leaving Socialism as the market is playing an increasing role in its economy.

"Instead, Chavez, with his nationalization measures like those in the communications field (which affect US companies) seems to be heading in an opposite direction.

"However, labeling Chavez as a Socialist with the purpose of insulting him, just as some US conservatives term their Democratic opponents 'liberal'...., sheds little light on the political reality represented by Chavez.

"... Moises Naim, Venezuelan editor of the prestigious magazine 'Foreign Policy' and former minister of the Perez administration, said of Chavez: 'It is not easy to label Chavez among Latin American leaders. He has no match because there are many different Chavezes. He is a man of strong impulses who is ruling amid a changing domestic and foreign framework, which has led him to a radicalization of his policies. Within such a changing scenario, we

can note the price of oil and other raw materials that have sparked the South American boom of recent years, vital for the hemispheric alliances that Chavez wants to strike.

"... Lastly, the editor of "Foreign Policy" said that Chavez is neither Castro nor the Peron of early times. Through the radicalization of his position, Chavez looks like General Leopoldo Galtieri, who went too far when invading Malvinas (Falklands).

"Argentine democracy started to grow after that defeat, and Naim believes that Chavez's trend towards radicalization is also doomed to failure and that Venezuelan democracy could re-emerge after that."

- "Models"

Telma Luzzani, international columnist of leading "Clarín," writes (01/10) "Chavez's nationalization policy brings double concern for the US. On the one hand, because it affects the profits of major US corporations, such as Verizon, Exxon Mobil or Chevron, but also because Chavez's proposal clashes directly with the neat model Washington has established in the world, particularly after the downfall of the USSR.

"According to the Washington Consensus, free market and democracy was the formula for prosperity. This model flourished during the '90s but with the new millennium, its deficiencies started to show.

"Nationalization may now appear as a new paradigm that will perhaps have followers and can even be successful."

- "Washington warns Chavez"

Conservative "La Prensa" reports (01/10) "The USG warned yesterday

that it wants to see US corporations 'fairly and promptly compensated' in the event they are affected by Venezuelan President Hugo Chavez's re-nationalization plans for telecommunications and utility companies. The USG also pointed out that this plan will most probably fail.

"Gordon Johndroe, one of the spokespersons of the White House National Security Council, said 'We have already seen the outcome of nationalization in other parts of the world and, generally speaking, such kind of actions do not yield the expected economic benefits.'

"Sean McCormack, US State Department spokesman, stressed that 'Chavez's nationalization proposals are worn-out and generally proved in history not to benefit the population.'"

- "Chavez, the uncomfortable partner"

Julio Blanck, political editor of leading "Clarín," opines (01/10) "Backed by his oil more than ideology, Hugo Chavez got Mercosur to accept him as a partner less than a year ago.

"Ever since, he sought to stamp his style every time he attended a regional form.

"The leaders that feel most uneasy with his attitude are Nestor Kirchner and Brazilian Lula.

"And the possibility of moderating Chavez, the promise Washington always claims for, comes to pieces.."

- "Saddam's trial, according to the rules of the imperial game"

Daily-of-record "La Nación" carries an op-ed story by historian Carlos Escudé, who writes (01/10) "Saddam Hussein committed crimes against humanity along his political career. However, his trial and execution were made possible because he defied the imperial order.

"The dictator was removed because until his military defeat in 2003 he behaved just like the leader of a truly sovereign country.

"... If all States were equally sovereign, Iraq's right to own WMD

would not have been less than that of the US."

- "Hussein and Kirchner"

Daily-of-record "La Nacion" carries an op-ed story by Guy Sorman, who writes (01/10) "... The Argentine Government released a communique condemning Saddam's execution and invoking 'human rights' while condemning the crimes he committed 'based on the same human rights.'

"For the Argentine Government, which has not been interested in Iraq so far (but whose anti-US feeling is profitable), Saddam's human rights are the same as those of his millions of victims. This weird ethical equivalence could have equated Stalin with the Gulag's victims, and Hitler with the Holocaust's victims. There are cases in which the hostility against the US is stupid."

- "Energy, source of the Kremlin's political power"

Luisa Corradini, columnist of daily-of-record "La Nacion," writes (01/10) "One week after having avoided the gas war, Russia and Belarus (so far, its best ally) have just started an arm-wrestling for oil whose 'collateral damages' are now being suffered by the EU.

"... While Poland and Germany are not seriously threatened because they have oil reserves for several months, the Kremlin's attitude in this new conflict with one of its former satellite republics has shocked the EU.

"The Russian president's decision not only confirmed his little concern about his European partners but reminded the EU the imperative need for diversification of its energy sources in order to reduce its dependence on Russia, from which it receives one-third of its gas and one fourth of its oil consumption.

"... More than ever, the EU needs to establish a common energy policy and, above all, a common strategy regarding Moscow."

13. EDITORIALS

- "Serious environmental deterioration"

An editorial in leading "Clarín" reads (01/10) "The information on environmental degradation released by international and private organizations raise concern about a not so distant future.

"... One of the most disconcerting issues is the prospect of a gradual temperature increase which could unleash major climate problems in vast areas of the world by combining prolonged draught with increasing rains and floods of coastal territories... The USG has recently admitted, for instance, that polar bears are in danger of extinction due to the melting of Artic ice.

"According to latest assessments, even when if all the countries started reducing their gas emissions, global warming would continue to increase due to the persistence of gases already in the atmosphere.

"This reveals the importance of an international commitment to reducing carbon dioxide emissions and to sustainable forest management, thus contributing to offsetting the effects of emissions."

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